

General Information About Your 1098-E from the William D. Ford Direct Loan Program

Answers to Commonly Asked Questions

- 1. What is the IRS Form 1098-E, *Student Loan Interest Statement*, that is accompanying this General Information Sheet? Why am I receiving the 1098-E now?**

The IRS Form 1098-E is used to report to you the amount of interest you have paid on your Direct Loan(s) during a single calendar year. This amount *may* be tax deductible. We are sending this form now because Tax Year 1998 was the first year that Higher Education Loan Interest could be deducted on tax returns. Note, this is not an Annual Statement of your Direct Loan account(s).

- 2. Which Direct Loans may be eligible for the Student Loan Interest Deduction?**

Direct Subsidized, Direct Unsubsidized, Direct PLUS, and Direct Consolidation Loans are potentially eligible for the interest deduction.

- 3. How did you arrive at the amount shown on IRS Form 1098-E?**

The amount entered in Box 1 of your 1098-E is the sum of interest that the U.S. Department of Education has received on your Direct Loan(s) for the calendar year.

- 4. Have you reported my interest to the IRS?**

Yes. The Direct Loan Program reports Student Loan Interest paid information directly to the IRS.

- 5. Can I deduct all the interest reported on Form 1098-E?**

The interest reported on your 1098-E statement could be different from the interest you may be able to deduct.

While interest paid on Higher Education Loans *may* be deductible if paid during the first 60 months of a borrower's repayment period, there are specific IRS eligibility criteria, which must be met.

For additional information regarding eligibility criteria and whether you qualify for the deduction, you may:

- Refer to *Internal Revenue Service IRS Publication 970, Tax Benefits for Higher Education*.

- Visit the IRS world wide website at:

<http://www.irs.ustreas.gov>

- Call the IRS toll-free at one of these telephone numbers:

1-800-TAX-1040

1-800-TAX-FORM

- If you still need help, you may want to contact a tax adviser.

ADDITIONAL INFORMATION

Changes And Corrections You Must Report To The U.S. Department of Education

- ✓ Name
- ✓ Social Security Number (SSN)
- ✓ Address
- ✓ Telephone Number(s)
- ✓ Employer Information

It is your responsibility to inform the U.S. Department of Education of changes or corrections that affect your Direct Loan(s).

If you have changes or corrections to your name, social security number, address, telephone number(s), or employer information or if you believe any information we have on record for your loan(s) is incorrect, please call us at 1-800-848-0979 or write to us.

Changes And Corrections You Must Report To The School

- ✓ Name
- ✓ Address
- ✓ School Graduation Date

While in school, it is your responsibility to report name and address changes to the financial aid office of the school.

Additionally, you are required to report any change in enrollment status and expected graduation date directly to your financial aid office immediately.

Need Assistance?

The Direct Loan Servicing Center is here to assist you with all matters regarding your Direct Loan(s). Please feel free to contact us by using either of the methods listed below (if you have tax-specific questions, please contact the IRS):

- Call our toll-free telephone number to (1) access our DIRECT LOAN ANSWERLINE automated response system anytime or (2) speak to a representative from 8:00 AM to 8:30 PM Eastern Time, Monday through Friday: 1-800-848-0979.

Telecommunications Device for the Deaf (TDD) for the Hearing Impaired: 1-800-848-0983.

- Access our Direct Loan Servicing website at:

<http://www.dlservicer.ed.gov>

- Write to us at:

U.S. Department of Education
Direct Loan Servicing Center
P.O. Box 4609
Utica, NY 13504-4609

- Send payments to:

U.S. Department of Education
P.O. Box 746000
Atlanta, GA 30374-6000